

## Message Text

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64

ACTION EB-11

INFO OCT-01 EUR-25 IO-14 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-02

H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00 NSC-07 PA-04

RSC-01 AID-20 CIEP-02 SS-20 STR-08 TAR-02 TRSE-00

PRS-01 SPC-03 FEA-02 OMB-01 DRC-01 /177 W

----- 045805

O P 212309Z MAR 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC IMMEDIATE 3007

INFO USMISSION GENEVA PRIORITY

AMCONSUL TORONTO

UNCLAS OTTAWA 0829

E.O. 11652: N/A

TAGS: GATT, ETRD, CA, US

SUBJECT: CANADIAN CHERRY AND BEEF SURTAXES: U.S.  
COMPENSATION REQUESTS.

REF : OTTAWA 818

1. TORONTO STAR OF MARCH 21 CARRIED PROMINENT ARTICLE  
ENTITLED "OTTAWA SAYS U.S. CASE OVER BEEF 'A POOR ONE'"  
AND IS BASED ON INTERVIEW WITH RODNEY GREY, ASSISTANT DEPMIN  
OF FINANCE.

2. THRUST OF NEWS STORY IS THAT U.S. WANTS COMPENSATION  
BECAUSE OF SPECIAL TARIFF ON U.S. BEEF IMPORTS LAST  
NOVEMBER AND THAT U.S. WANTS COMPENSATION IN FORM OF LOWER  
TARIFFS ON VARIETY OF PRODUCTS WHICH GREY WOULD NOT RPT NOT  
LIST.

3. GREY REPORTEDLY DOUBTED THAT SITUATION WOULD  
DETERIORATE TO EXTENT THAT FAILURE OF U.S. AND CANADA TO AGREE  
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ON AMOUNT AND TYPE OF COMPENSATION WOULD RESULT IN U.S.

WITHDRAWAL OF EXISTING TRADE CONCESSIONS, AN ACTION THAT WOULD REQUIRE GATT APPROVAL IN ANY EVENT. GREY POINTED OUT, FOR EXAMPLE, THAT U.S. COMPENSATION REQUEST ON CHERRIES HAD BEEN SETTLED AMICABLY AND AMOUNT OF COMPENSATION WOULD BE DISCLOSED SHORTLY.

4. ON BEEF SURTAX, HOWEVER, GREY ALLEGEDLY STATED U.S. CASE WAS POOR AND DESCRIBED SURTAX AS A RESPONSE TO U.S. MEASURES AFFECTING CANADIAN CATTLE MARKET, I.E., U.S. "EMBARGO" ON SOYBEAN EXPORTS LAST SUMMER, AND SEPTEMBER REMOVAL OF FREEZE ON MEAT PRICES IN U.S.

5. GREY ALSO ATTRIBUTED WITH STATING THAT RECENT CANADIAN DECISION TO APPLY SUBSIDY TO BEEF INSTEAD OF REINTRODUCING SURTAX WAS MADE OUT OF CONCERN FOR CONSUMER AND NOT OUT OF FEAR OF U.S. RETALIATION.

6. TEXT BEING AIRPOUCHED TO EB/OT.

7. EMBASSY HAS NOT YET BEEN ABLE TO REACH GREY TO CHECK ACCURACY OF STATEMENTS ATTRIBUTED TO HIM.

PORTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FRUIT, IMPORTS, CATTLE, PRESS COMMENTS, NEWSPAPERS, MEATS, TARIFFS, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974OTTAWA00829  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** OTTAWA 818  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 JUL 2002 by elbezefj>; APPROVED <19 JUL 2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CANADIAN CHERRY AND BEEF SURTAXES: U.S. COMPENSATION REQUESTS.  
**TAGS:** ETRD, CA, US, GATT, TORONTO STAR  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005